



DYER & BUTLER

A part of MGroupServices

Carbon Reduction Plan

2024

Declaration and Commitment

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance for Carbon Reduction Plans. It will outline the measured carbon emissions for the previous year, identify our significant carbon sources, and detail the measures that we plan to put into place to reduce our emissions approaching 2050.

Carbon emissions have been measured using the appropriate DBEIS Greenhouse Gas (GHG) reporting conversion factors for company reporting, and reported in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Protocol Corporate Standard. Scope 1 and Scope 2 emissions have been reported in accordance with Streamlined Energy & Carbon Reporting (SECR) requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.

Dyer & Butler is committed to achieving Net Zero emissions before 2050.



Mike Evans
Managing Director
October 2024

Scope of the Carbon Footprint

This Carbon Reduction Plan applies to Dyer & Butler as a whole, containing emissions for our activities in each divisional discipline (Rail, Aviation & Adjacent Markets) and our central functions.

Our carbon measurement methodology follows the guidance and principles set out in the GHG Protocol Corporate Standard and the Corporate Value Chain (Scope 3) Standard, unless specified in this plan. It is built into our integrated management system, which is certified to ISO 14001. Since FY23 (Apr 22-23), our emissions have been externally verified by Achilles to ISO 14064, through the Toitū carbon reduce program (formally CEMARS).

Reporting

Our emissions are reported annually and externally via:

- Submissions to our Group for SBTs, SECR, and ESG reporting
- Publication of this Carbon Reduction Plan on our website

Calculated Emission Sources

Between the 2014/15 and 2017/18 reporting year, our reported emission sources encompassed our Scope 1 and Scope 2 emissions, and only one Scope 3 emission source. Since the 2018/19 reporting year, our Scope 3 emission sources have further expanded annually – see Table 1. Where there are opportunities to apply additional emission sources to previous years, with a clear justification to apply them, we have done so. However, there are some sources within our measurement methods that have not been applied to historic data, due to the lack of data availability, or a disproportionate resource intensity vs benefit outcome.

Table 1 details which emissions sources have been measured for each reporting year. This is updated as more sources are included, and/or applied to previous years.

Reporting Year	Scope 1	Scope 2	Scope 3						
2014-15	Fuels	Electricity	Grey fleet						
2015-16									
2016-17									
2017-18									
2018-19									
2019-20									
2020-21 to 2023-24	Company vehicles			Electricity T&D	Waste	Business travel	Employee commuting	Upstream transport and distribution	Supply chain & materials

Table 1: Scope inclusion by reporting year.

The current Scope 3 emissions sources do not include Well-To-Tank (WTT) emissions. We are planning to add these in the future, and to calculate values for previous years where possible.

Our emissions are based on volume/mass of fuel used, kWhs of electricity, distance travelled, and tonnes of waste. Where data in these units of measurement is not available, we have used figures based on industry knowledge to convert from financial data, in-line with GHG Protocol guidance.

The external datasets we use are:

- UK Government (BEIS) GHG Reporting conversion factors for the relevant reporting year
- UK Government (BEIS) monthly prices of road fuels and petroleum products
- UK Government (ONS) carbon dioxide emissions intensity by industry, 1997 to 2016 and provisional 2017
- Conversion factors included in Toitū's emanage carbon accounting tool

We switched our carbon accounting process to use Toitū's emanage system for the 2022/23 reporting year, onwards. This included scope 1 and 2 emissions, electricity T&D, waste, and business travel. These aspects were audited, by Achilles, to ISO 14064. Employee commuting, upstream transport & distribution, and supply chain & materials were accounted for separately (outside of this process), for 2022/23, but were included from 2023/24.

Compliance with PPN06/21

With regards to the Scope 3 requirements of PPN06/21 described in the PPN06/21 Technical Standard, "Downstream transportation and distribution" is not relevant to our business activities, as we self-deliver this type of activity, and include emissions calculation in our Scope 1.

Baseline Emissions Footprint

Our baseline year was set as 2014/15. Due to the lack of available data, it was not possible to calculate emissions previous to then with an acceptable level of accuracy.

The emissions sources included in our baseline calculation are detailed in Table 1. Many Scope 3 emission sources have been omitted, as data is not available. We are assessing the need to reset our baseline, and will make changes in the next reporting year if needed. Our total emissions (tCO_{2e}) for this 2014/15 baseline year, are shown in Table 2 below.

Reporting Year: 2014/15		
Emissions	Total (CO _{2e})	Footprint %
Scope 1	5583.27	89.45
Scope 2	158.89	
Scope 3	677.10	10.55
Total Emissions	6419.26	100

Table 2: Baseline emissions

Latest Emissions Footprint

Our latest emissions include the scopes outlined in Table 1. Our total emissions (tCO_{2e}) for the latest 2023/24 reporting year are shown in Table 3 below.

Reporting Year: 2023/24		
Emissions	Total (CO _{2e})	Footprint %
Scope 1	1,830	5.81
Scope 2	178	
Scope 3	32,556	94.19
Total Emissions	34,564	100

Table 3: Last reporting year emissions

Emissions Trend

Our total emissions have fluctuated since the baseline year. Figure 1 shows our measured emissions from the 2023/24 reporting year back to 2014/15, and the required emission reduction up to 2049/50 to achieve Net Zero by 2050.

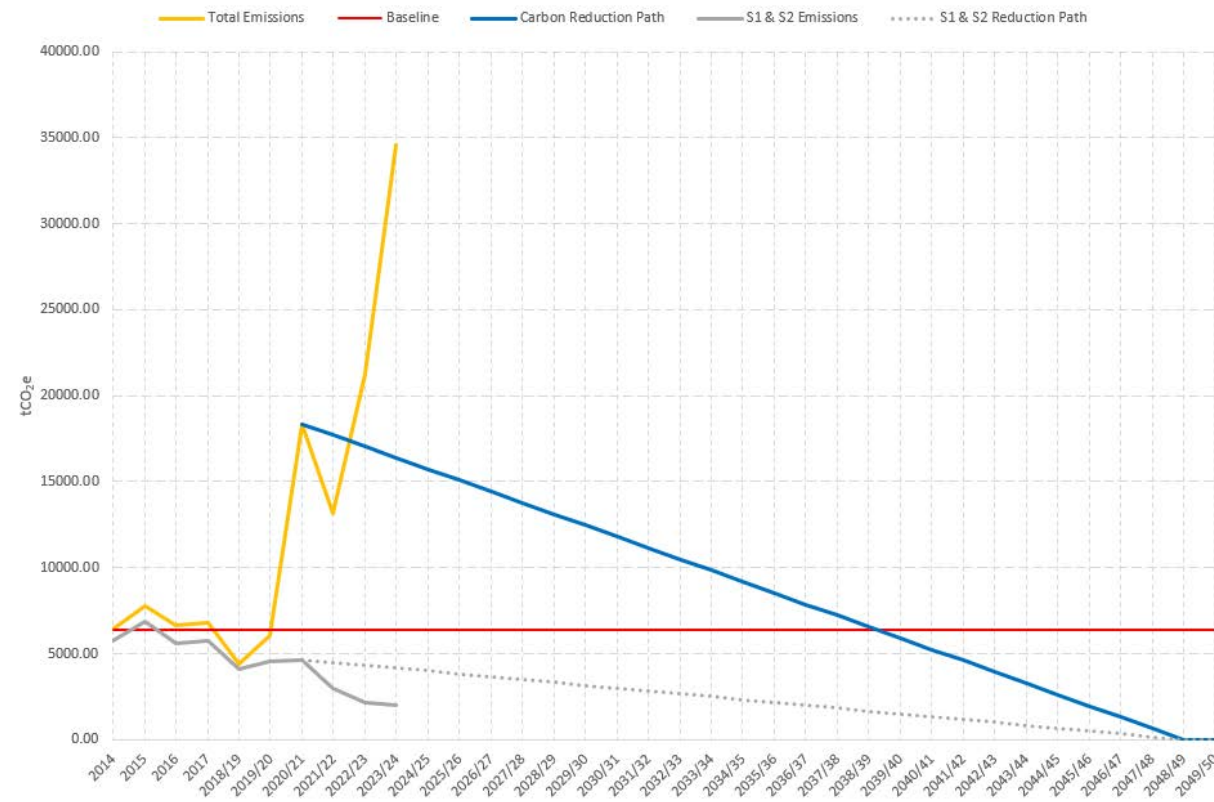


Figure 1: Total emissions (tCO2e) with targets.

Our Scope 3 data sources expanded from April 2020, but could not be calculated prior to this date, which caused the total calculated emissions to increase significantly for the 2020/21 reporting year. Each year since then, our calculation methodology has improved causing reported scope 3 emissions to rise. Therefore, combined emissions for Scopes 1 & 2 have been included as a separate line, for clarity of our reduction activity since our original baseline year.

There are many factors affecting our reduction progress. However, the two constant factors are:

- Work intensity; as the amount of work we do increases and the business grows, emissions have the potential to increase, unless mitigation is put in place.
- Scope 3 expansion; as more data or data sources become available, our Scope 3 emissions will increase, particularly when the sources cannot be applied to previous years. This increase is clearly substantial (as shown in Figure 1), however, beyond 2023/24 it is expected to stabilise following a significant change to the purchased goods and services methodology.

Emission Reduction Target

We have chosen to split our net zero pathway into manageable timeframes. The current timeframe is outlined in our environment strategy, and covers the years 2023 to 2026.

Our emissions target for the current strategy is:

Achieve a 50% reduction of Scope 1 emissions, compared to FY23, by April 2026.

This target is contributes to our longer term target of achieving net-zero scope 1 and 2 emissions by 2030. Our emissions will need to reduce to 1,008.52 tCO2e or less. Although our current strategy includes other targets for scope 2 and 3, our scope 1 target is currently our main focus.

Our Group science-based targets are:

- Reduce our emissions (Scopes 1 and 2) by 42% by 2030, against a 2022 baseline year.
- Reduce our supply chain (Scope 3 Purchased Goods and Services) emissions intensity by 52% per GBP added value by 2030.

Switch to HVO

Hydrotreated Vegetable Oil (HVO) is a synthetic low carbon biofuel, which has a closed loop carbon cycle. Its chemical structure makes it compatible as a direct replacement for gas oil or diesel, without engine modification. Based on the 2020/21 emissions data, a complete switch from gas oil to HVO would decrease Scope 1 emissions by 53.08%, saving 2909.1 tCO2e. This is a carbon source reduction of 99.92%.

This switch to HVO began in April 2022, and is and is ongoing; however, not all fleet vehicles are compatible. We are assessing our fleet, which will lead to a reassessment of the saving. In FY24, we used over 166,000 litres (increased from over 115,000 litres), saving 411 tCO2e.

It is noted that, as a biogenic carbon emission, HVO is outside of the scope of the GHG Protocol Corporate Standard. We will use it to progress towards achieving net zero; however, we have highlighted the biogenic CO2, as part of our audited accounting outside of our carbon footprint, to account for the carbon emissions in the closed cycle.

Grid Power Policy

We have added a commitment to using grid power within our sustainability policy; aiming at choosing to connect projects to the national grid, where the ability to do so is technically possible and commercially viable (based on project length). Use of grid power removes over 30% of wasted energy associated with diesel generation (through heat and inefficient running when in low demand).

Many of these connections are supplied as standard tariffs, rather than renewable tariffs. We aim to choose renewable tariffs when they are available; however, this is not always the case with temporary connections. Average grid power is made up of 40-50% renewable energy. Therefore, as grid renewables increase, we expect a reduction in carbon emissions as the conversion factor changes.

Hybrid Generators

Where our projects cannot connect to the electricity grid, we will need to continue to use generators. Solar Pods or hybrid generators will be used to reduce low load electricity generation. By running generators at a high load for short periods, in order to charge the battery (or using solar power), the quantity of fuel used, and the amount of energy lost through heat will decrease, reducing emissions. In a recent trial of two Solar Pods on one of our projects, during winter, we reduced the generator running time by 477 hours over 14 days, resulting in an 8.34 tCO₂e saving. These types of generators have the potential to save large quantities of emissions across our projects.

Further trials in 2021 and early 2022 proved viability. We have approved the use of solar equipt generators, as well as secondary battery packs, on our projects. In 2024 we have replaced petrol powered 110v generators at our Heathrow operations, with battery alternatives, which we intend to roll out to other parts of our business. We are investigating hydrogen power and other hybrid solutions.

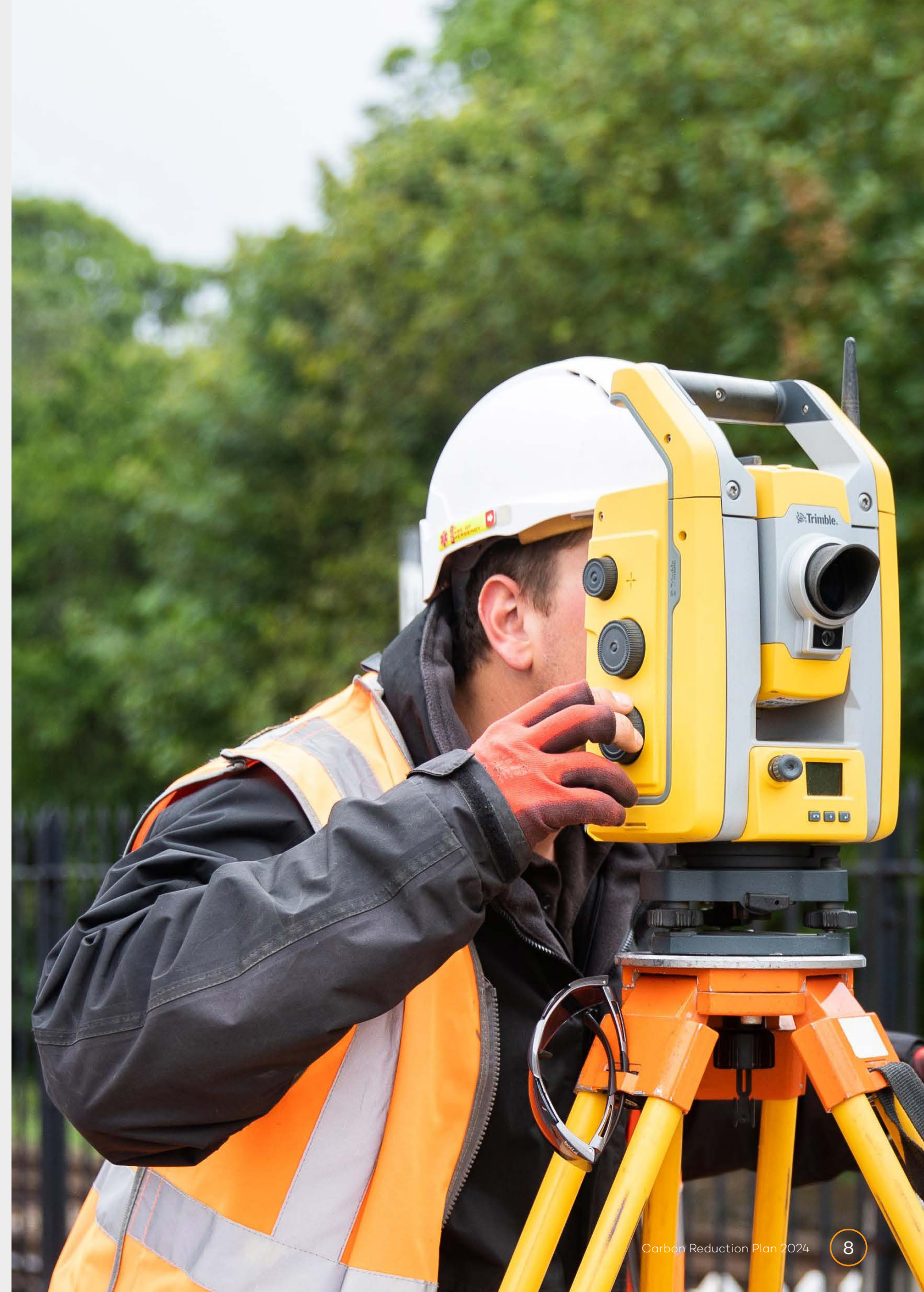
Hybrid / Electric Plant / Road Vehicles

We will trial and adopt more hybrid or electric plant and road vehicles.

Current areas of focus include:

- Battery and hydrogen lighting towers/site lighting
- Hybrid and electric excavators and dumpers
- Hybrid and electric vans

Our fleet is due for replacement in the next two years, with a focus on electric vehicles, following M Group Services' commitment to the EV100.





DYER & BUTLER

A part of **MGroup**Services

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